GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1595
ANSWERED ON:09.03.2017
Impact of Demonetisation
Chowdhury Shri Adhir Ranjan

Will the Minister of TEXTILES be pleased to state:

(a) whether there was decrease in production of textiles after demonetisation and number of jobs was also directly impacted because of it and if so, the details thereof;

(b) whether the employment generation in Textile industry is not increasing in country and if so, the details thereof; and

(c) the details of action plan of the Government to increase employment generation in textile industry?

Answer

MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a): Based on provisional figures for 2016-17 (Apr. Jan.) the production of cotton yarn and fabrics have increased while there is marginal decrease in production of man-made fibre.

However, no structured survey has been carried out to assess the impact of demonetization on production and employment.

(b): No, Madam. The employment in textile and apparel industry of India has increased in recent years.

(c): The Government is implementing various policy initiatives for creating employment in Textile Sector through its various Schemes such as the Technology Upgradation Fund Scheme (TUFS), Scheme for Development of Technical Textiles, Schemes for the Development of the Powerloom Sector, Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme (ISDS), Schemes for Development of Silk and Sericulture sectors, National Handloom Development Programme (NHDP), Comprehensive Handloom Cluster Development Scheme (CHCDS), Yarn Supply Scheme, National Handicrafts Development Programme (NHDP), In situ Upgradation of Plain Powerloom Scheme for upgrading the obsolete Powerlooms to semi-automatic and automatic looms, North East Region Textiles Promotion Scheme (NERTPS), etc. These schemes are aimed at setting up of new units as well as expansion of the existing units which have potential for generating large employment opportunities.

The Government of India has recently notified the Amended Technology Upgradation Fund Scheme (A-TUFS) for Technology upgradation in the textiles sector. Further, the Government has also recently approved a special package to boost production, employment generation and export in the Textile and Apparel Sector which includes enhanced subsidy of 25% to garmenting units, under Amended-TUFS based on their production and employment output; Remission of State Levies; Amendment in Section 80JJAA of Income Tax Act and modification of Labour Laws to encourage investment in the garmenting sector.

*****